

# Federal Energy Regulatory Commission



## **The Siting and Review Process for Onshore and Near Shore LNG Facilities**

**DOE LNG Forum  
Los Angeles, CA  
June 1, 2006**

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*Office of Energy Projects*

# Overview of the Siting and Review Process

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- FERC's jurisdiction over LNG projects
- Coordination with U.S. Coast Guard and U.S. Department of Transportation
- Review process
- Coordination with the States

# FERC's Siting Authority Under the Natural Gas Act

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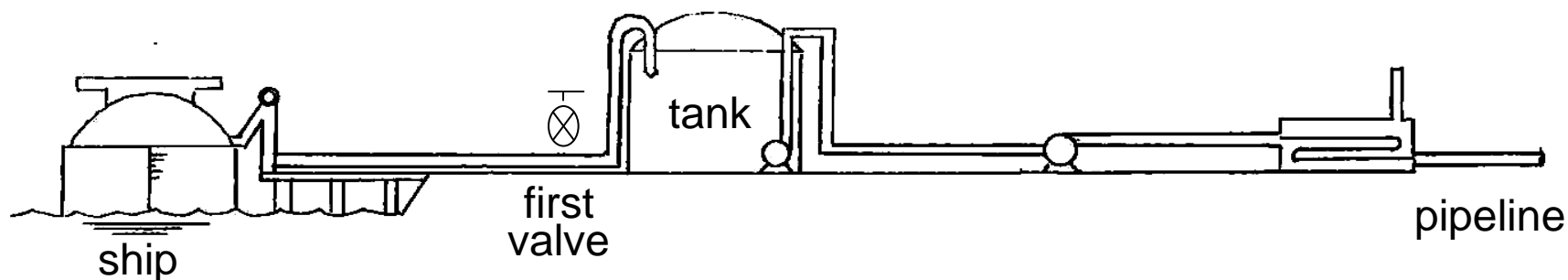


- Section 3 of the NGA
  - Determination of consistency with the public interest
- Amended by the Energy Policy Act of 2005
  - FERC has exclusive siting authority—does not preempt other required federal authorizations
  - Use of Pre-Filing Process mandatory for LNG terminals
  - FERC is lead agency for NEPA review, coordinates and sets schedule for all federal authorizations

# Multi-Agency Jurisdiction



Interagency Agreement of February 2004 ensures integrated and concurrent review



FERC – Section 3 of the Natural Gas Act

FERC – Lead Agency for Environmental Impact Statement

USCG – 33 CFR Part 127

DOT – 49 CFR Part 193 Safety Standards

USCG – 33 CFR Part 105 Facility Security

# Key Components of Site-Specific Project Review



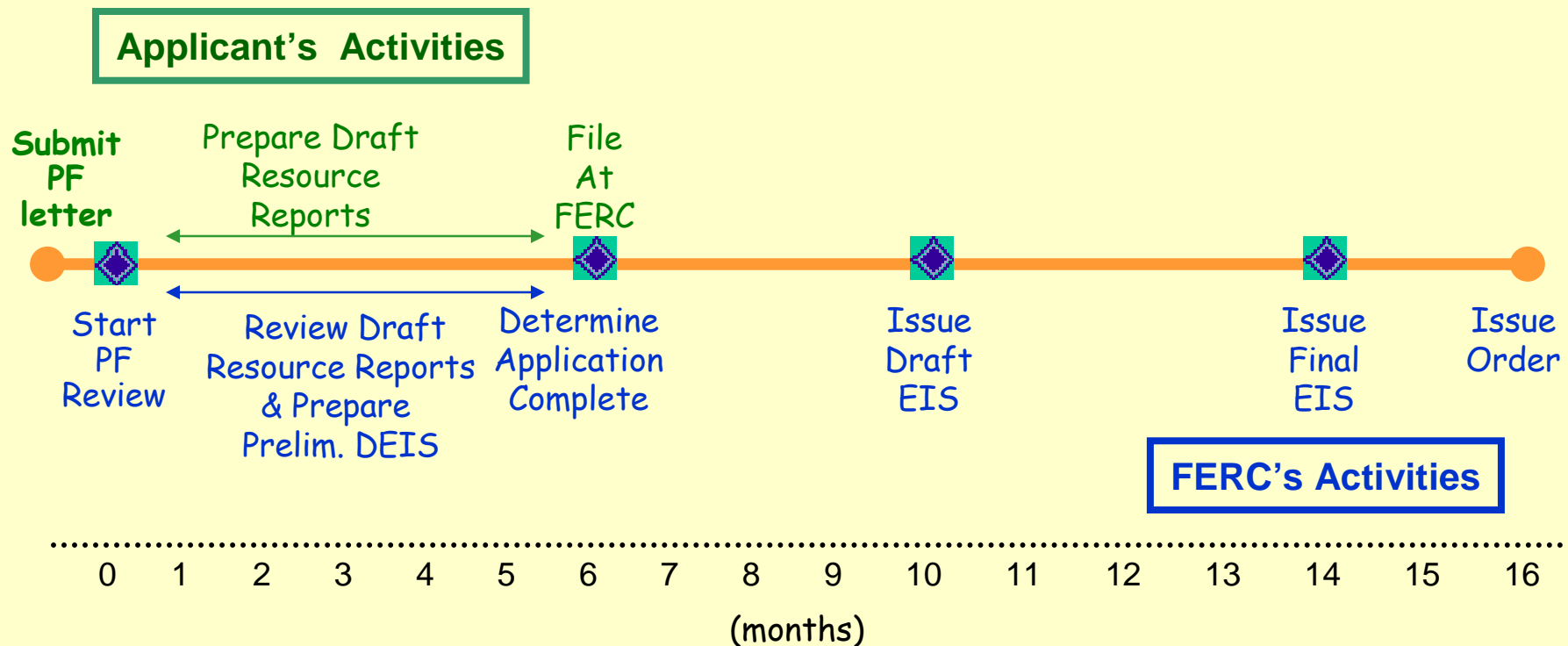
- Safety & Environmental Review
- Public Involvement
- Technical Analysis
- Public Interest Determination

# Phases of Project Review



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- Project Preparation
    - The applicant working on its own
  - Pre-Filing
    - FERC staff working with the applicant and stakeholders before the filing of an application
  - Application Review
    - FERC staff working with the applicant and stakeholders after the filing of an application
  - Post-Authorization
    - FERC staff working with the applicant and stakeholders to ensure compliance with conditions to the FERC approval

# Timeline for LNG Project Review Process



# Pre-Filing Requirements for LNG Projects

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- Project sponsor selects site, pipeline routes and begins surveys and studies
- Meet with staff regarding proposed project
- Submit draft RFP for 3rd-party contract and draft PF request for staff review
- File PF request
- Complete at least 6 months of PF review



# FERC Staff Pre-Filing Activities

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- Identify affected parties:
  - landowners
  - agencies
  - other stakeholders
- Facilitate identification of issues
- Identify study needs
- Facilitate resolution of issues
- Issue scoping notice
- Examine alternatives
- Arrange and attend site visits and meetings
- Initiate preparation of preliminary NEPA document
- Review draft resource reports

# Public Involvement During Pre-Filing Review

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## The FERC Process

- Project Sponsor Sends Landowner Notification Package
- Issue Notice of Intent to Prepare the NEPA Document (i.e., scoping)
- Hold Scoping Meetings

## Public Input

- Contact the project sponsor w/questions, concerns; contact FERC
- Send letters expressing concerns about environmental impact
- Attend scoping meetings

# The Environmental Report

## (13 Resource Reports)



1. General Project Description
2. Water Use & Quality
3. Fish, Wildlife & Vegetation
4. Cultural Resources
5. Socioeconomics
6. Geological Resources
7. Soils
8. Land Use, Recreation, & Aesthetics
9. Air & Noise Quality
10. Alternatives
11. Reliability & Safety
12. PCB Contamination (for pipelines only)
13. LNG Engineering & Design Details (CEII)

# Benefits of the Pre-Filing Process

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- More interactive NEPA/permitting process, no shortcuts
- Earlier, more direct interaction between FERC, other agencies, landowners
- Transparency in the Pre-Filing Review Process
- Goal of “no surprises”

*FERC staff will be an advocate  
for the process, not the project*

# Public Involvement During Application Review



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## The FERC Process

- Issue Notice of the Application
- Issue Notice of Availability of the DEIS
- Hold Public Meetings on DEIS
- Issue a Commission Order

## Public Input

- File an Intervention  
Register for e-subscription
- File comments on the adequacy of DEIS
- Attend public meetings to give comments on DEIS
- Interveners can file a request for rehearing of the Commission Order



# Engineering Review

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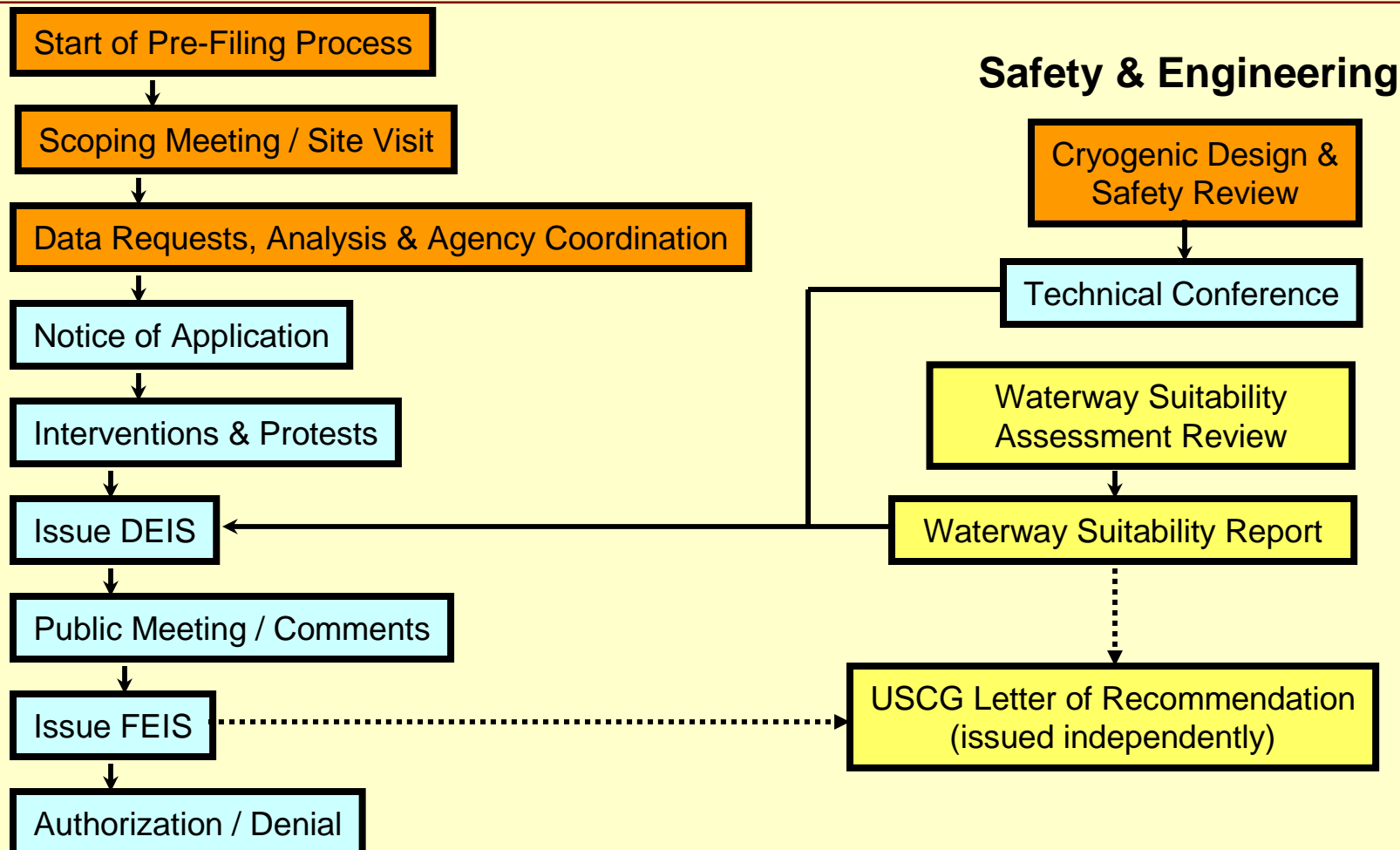
## ➤ Onshore Facility Review

- Cryogenic design and technical review
- Safety systems – detection and control
- Exclusion zone calculations
- Security and emergency plans

## ➤ Marine Safety Review

- Coordination w/ Coast Guard
- LNG vessel operations and controls
- Cargo spill hazard analysis

# Coordination of FERC & Coast Guard Review Processes



# Safety & Security Coordination with States

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- Governor designates an agency to consult with FERC about state and local safety considerations
- The designated agency may file an advisory report within 30 days of filing of application
- Project Sponsor's Emergency Response Plan must involve state and local agencies



# Summary - FERC Focus

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- **Safety** Is The Highest Priority
- Involvement Of All Stakeholders
- Continued Oversight